



9M 2021/22 Results Presentation

1 April – 31 December 2021

9 February 2022



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01 Highlights

Overview

I

Delivering another standout quarter - on track to hit all annual goals

- Robust BTS demand, complemented by strong investor appetite for BTR
- Disciplined, selective land investment strategy

II

Organization with proven execution capacity - ready to achieve ambitious growth goals

III

Accelerating investment to seize land acquisition opportunities, providing further visibility on future business performance

IV

Tight cost control and strong brand recognition paying off: safeguarding margins in current inflationary context

9M 2021/22 Executive Summary

Results

- In the last 12 months, AEDAS has brought in **€798m in revenue**, delivering **€162m in EBITDA (20.3% margin)**
- **ROE** in LTM hit **16.9%**

Sales

- **2,295 net sales** (2,222 BTS and 73 BTR) in 9M 2021/22
- Order Book: 4,438 units (3,422 BTS + 1,016 BTR), valued at €1.4bn at end of December

Operations

- 3,192 units activated in 9M 2021/22
- **1,002 construction starts** and **1,121 building permits** secured in **Q3 2021/22**
- 1,526 completed units (731 with First Occupancy Permit) at end of December

Land Investment

- In 9M 2021/22, acquired land for **3,504 additional units** for €267m¹, of which **60%** have already been **activated**



02 Business Update

Firing on all cylinders: another quarter of healthy sales while keeping deliveries on schedule

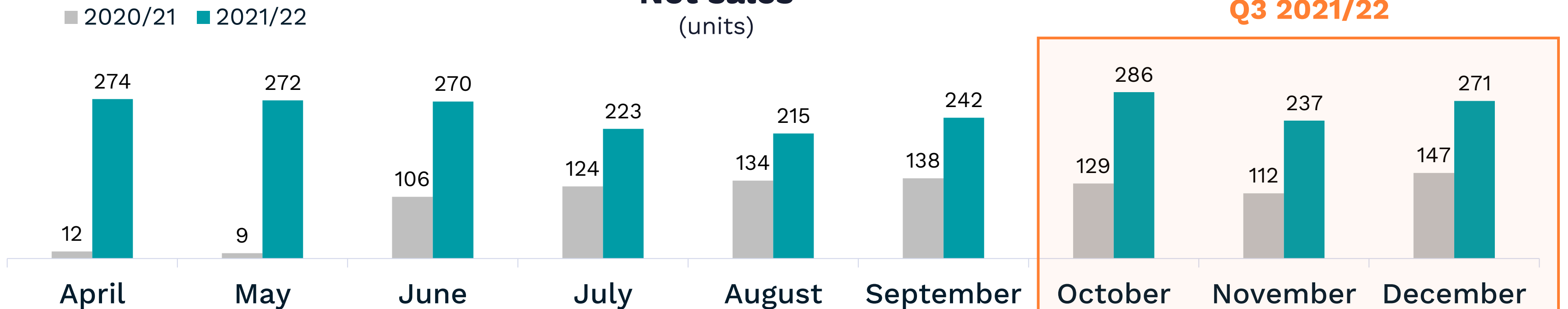
Sales: driven by unflagging demand

- 721 net retail sales in Q3; annual sales goal of 3,000 units now within striking distance
- 73 BTR units sold to institutional investor in December

Construction and Operations: executing the plan and primed to deliver bigger volumes

- 2,608 permits requested in 9M 2021/22
- Broke ground on 2,021 units in 9M 2021/22
- 1,526 completed units at end of December, of which 731 had First Occupancy Permit – very high visibility on Q4 2021/22 deliveries

Net sales (units)



Absorption rate underscores strength of housing market in regions where AEDAS Homes operates



Improvement in sales absorption rate showing signs of normalization

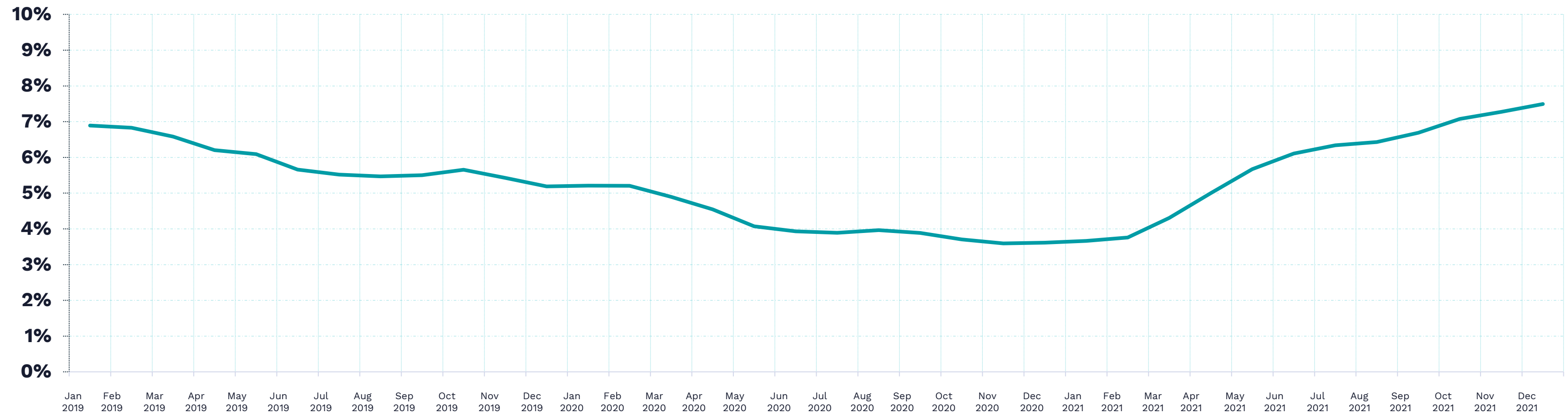


All AEDAS Homes regions continue to show improvement in absorption rate...



... with Costa del Sol and East showing greatest increase in recent quarters

Average monthly absorption rate (BTS)
(rolling 12-month average, #sales/total product on the market)

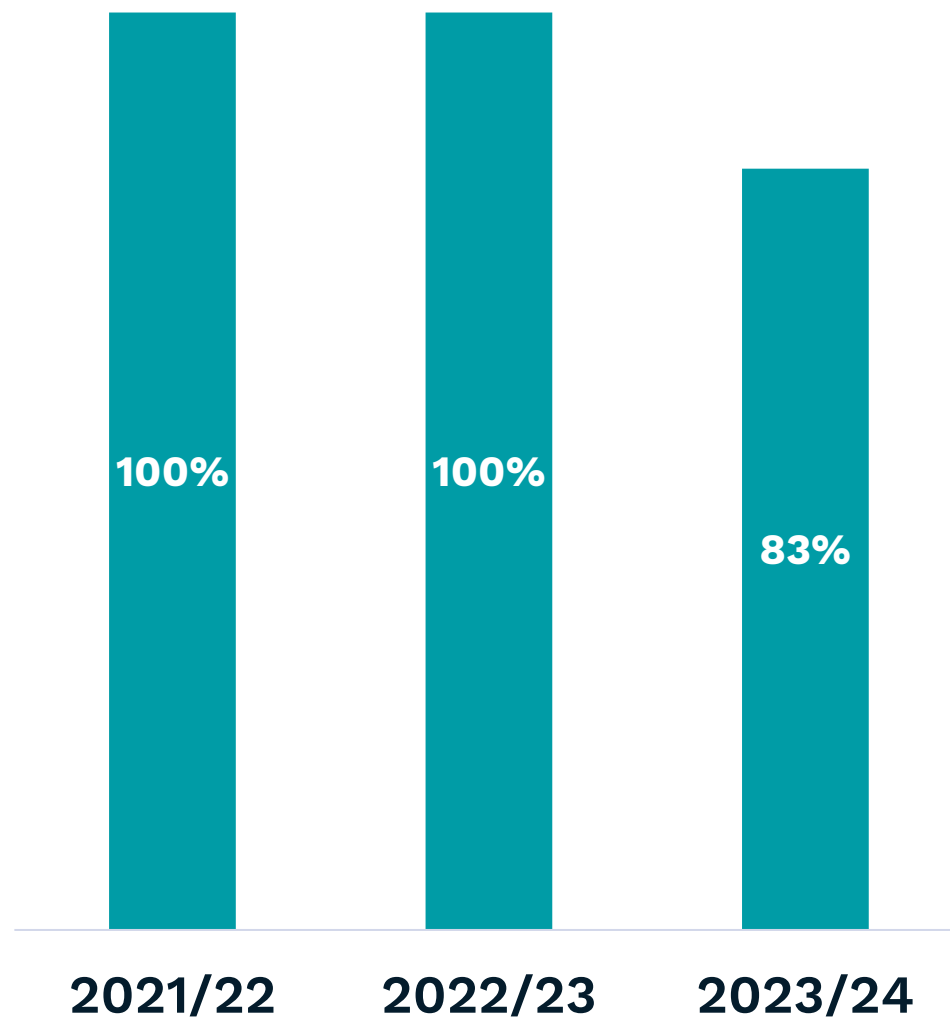


Current execution levels confirm strong visibility on Business Plan goals

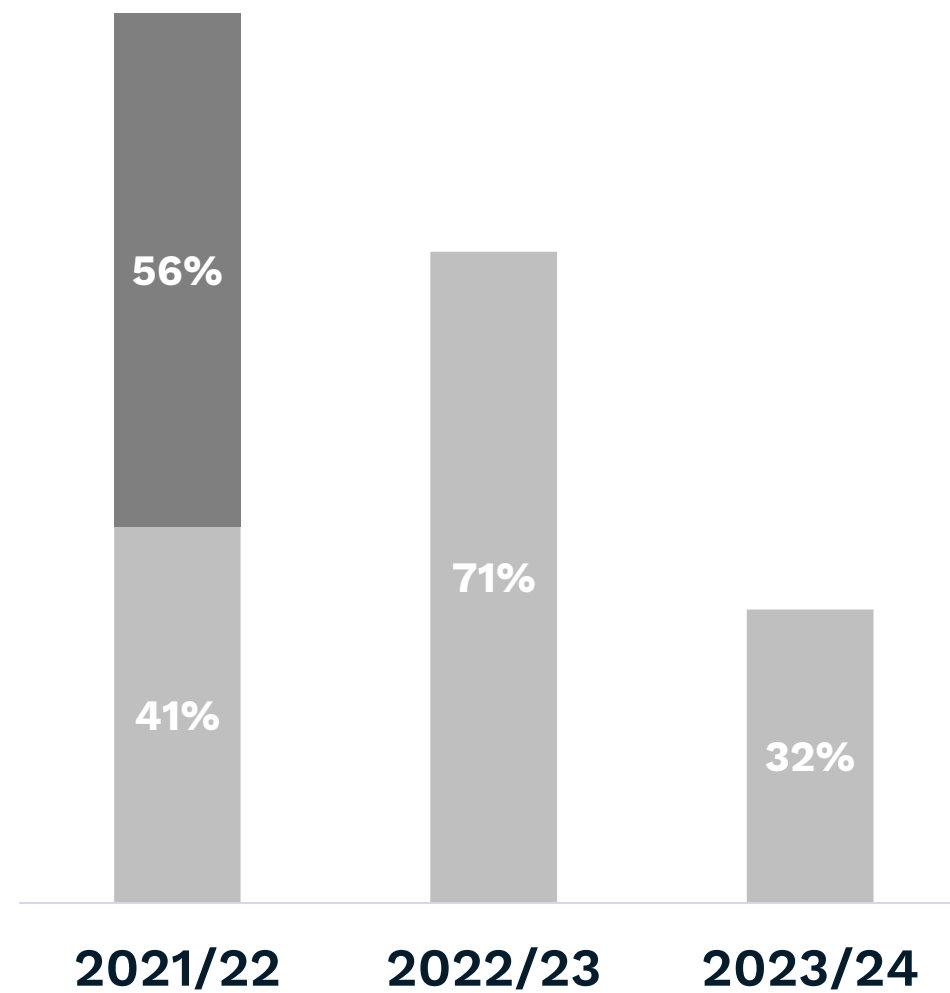
BTS + BTR as of 31 December 2021



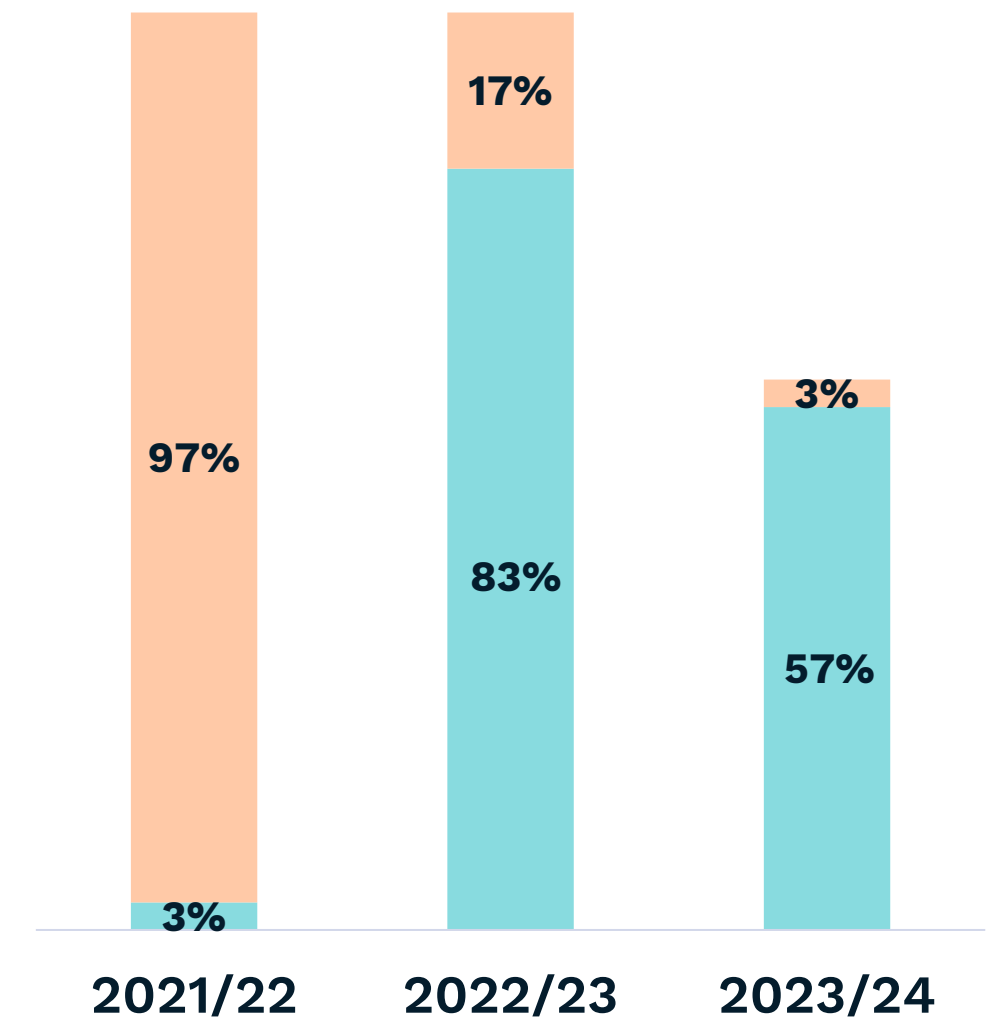
Launches ¹



Sales ¹



Under construction ¹



(1) Coverage ratios have been calculated over expected annual deliveries target: 2,200-2,300 in FY 2021/22; 2,900-3,000 in FY 2022/23; and 3,000 in FY 2023/24.

Disciplined, flexible and selective land Investment strategy: maximizing current market opportunities and securing future business performance

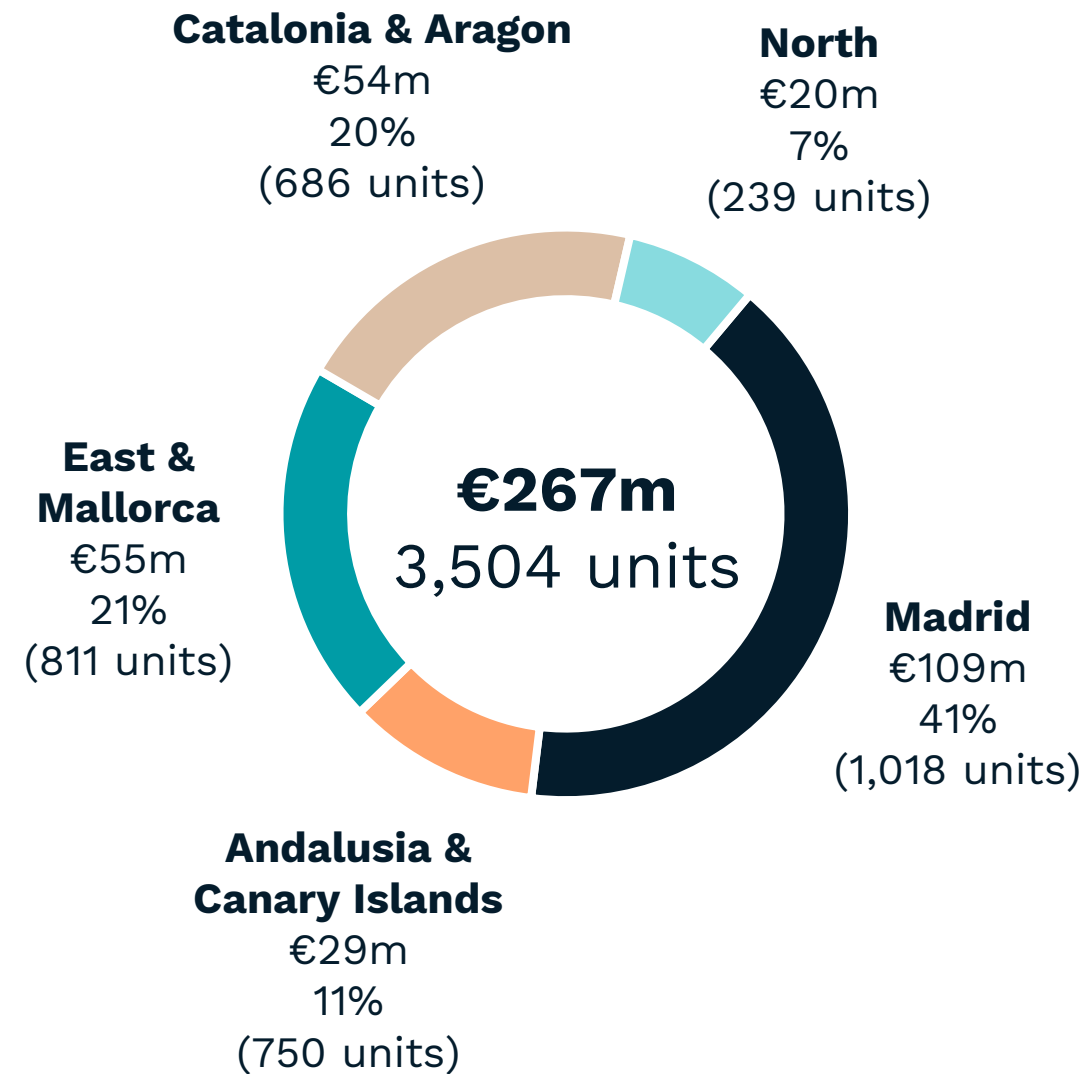


€267m
Invested in
3,504 RTB units



Additionally AEDAS acquired
167 units in 8 Works in Progress from **Aurea Homes**

Land Investment 9M 2021/22 (€m)

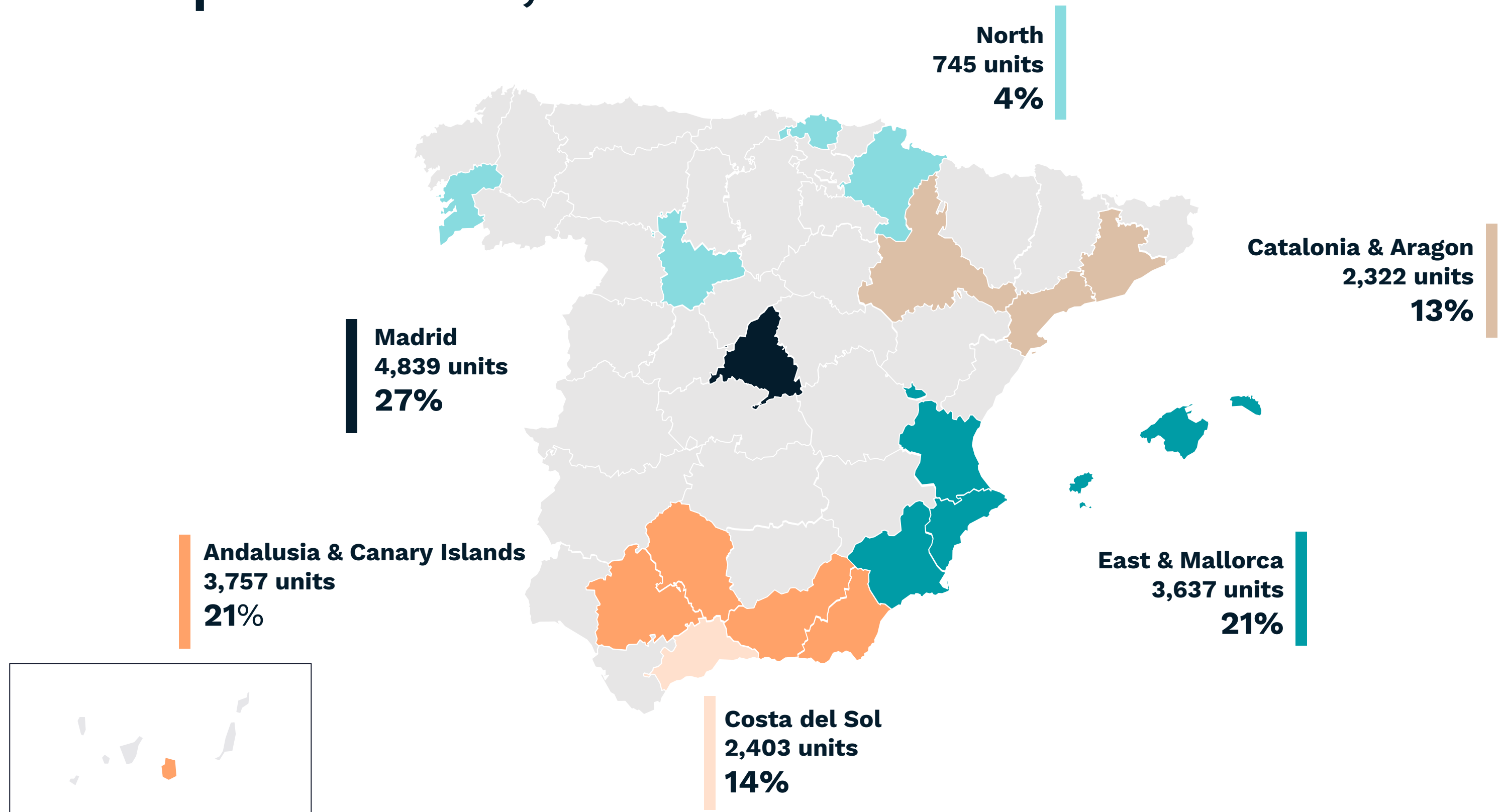


The AEDAS Homes **landbank** has an **implicit net development margin above 20%**



Selective criteria:
41 transactions closed in
27 municipalities

Growing landbank under optimal conditions in key locations: up 14% to 17,703 units^{1,2}



(1) Landbank 2020-21 (15,484) + Acquisitions and committed transaction pending closing (3,504) – Deliveries 9M 2021-22 (1,285) = 17,703
(2) Growth with respect to 31 December 2020



03 9M 2021/22 Results

P&L 9M 2021/22 (1 April – 31 December 2021)

(€m)	9M 2021/22	Last 12 months	9M 2020/21	Change vs 9M 2020/21 (€m)	Change vs 9M 2020/21 (%)
REVENUE	403.8	798.5	277.2	126.6	45.7%
Cost of goods sold	(284.8)	(566.7)	(201.0)	(83.8)	41.7%
GROSS MARGIN	119.0	231.7	76.2	42.8	56.1%
<i>% Gross Margin</i>	<i>29.5%</i>	<i>29.0%</i>	<i>27.5%</i>	-	<i>197 bps</i>
Operating expenses	(22.2)	(50.9)	(13.3)	(8.9)	66.6%
NET DEVELOPMENT MARGIN	96.8	194.1	62.9	33.9	53.9%
Overheads & other	(23.5)	(31.7)	(18.8)	(4.7)	25.2%
EBITDA	73.3	162.4	44.1	29.2	66.2%
<i>% EBITDA margin</i>	<i>18.2%</i>	<i>20.3%</i>	<i>15.9%</i>	-	<i>224 bps</i>

- In the last twelve months, AEDAS Homes has delivered 2,470 units, generating €799m in revenue and reporting EBITDA of €162m (EBITDA margin of 20,3%)
- The ASP of the last twelve months stands at €323K (€335K in BTS and €180K in BTR).
- During 9M 2021/22, 1,285 homes were delivered at an ASP of €314K (€324K in BTS and €179K in BTR).
- Gross margin stands at 29.5% in 9M 2021/22, in the high range in the 2020-2025 Business Plan.
- Incremental operating leverage is reflected in an EBITDA of €73m in 9M 2021/22 (vs. €44m in 9M 2020/21) and a 224-basis point improvement in the EBITDA margin, to 18.2%.

Balance Sheet Summary as of 31 December 2021

	31 December 2021	31 March 2021	Change	Observations
Inventories <ul style="list-style-type: none"> • Land • Works in progress • Completed product 	€1,622m €666m €747m €186m	€1,395m €582m €581m €214m	€227m €84m €166m €-28m	<ul style="list-style-type: none"> • Increase in inventories in line with increase in number of units activated and brisk pace in land investment
Cash	€148m	€186m	€-38m	<ul style="list-style-type: none"> • Maintaining optimal cash position (€81m unrestricted)
Short-term debt	€55m	€99m	€-44m	<ul style="list-style-type: none"> • Short-term debt reduced due to the amortization of the syndicated facility and bilateral ICO loans
Long-term debt	€491m¹	€253m²	€238m	<ul style="list-style-type: none"> • Increase in long-term debt due to 5-year HY bond issuance
Equity <ul style="list-style-type: none"> • Treasury stock³ 	€963m €53m	€994m €65m	€-31m €-12m	<ul style="list-style-type: none"> • Reduction in equity due own shares (buyback and amortisation) and dividend distribution (€62m)

(1) Long-term developer loans (€174m) + long-term corporate debt (€317m)

(2) Long-term developer loans (€165m) + long-term corporate debt (€88m)

(3) As of 31 December 2021, there were 2,590,206 shares in Treasury Stock, at a purchase value of €52,916,117

Evolution of net financial debt

(€m)	31 Dec 2021	31 Mar 2021	31 Dec 2020	Var vs Mar 2021	Var vs Dec 2020
(A) Secured debt	175.4	169.4	270.7	6.0	(95.3)
(B) Corporate debt	370.3	182.9	217.3	187.4	153.0
Syndicated facility	-	100.0	130.0	(100.0)	(130.0)
Commercial paper programme (MARF-listed)	56.1	56.7	49.3	(0.6)	6.8
Other corporate debt	-	31.5	38.0	(31.5)	(38.0)
High Yield Bond (with guarantee)	325.0	-	-	325.0	325.0
<i>Amortised cost-IFRS</i>	<i>(10.8)</i>	<i>(5.3)</i>	-	<i>(5.5)</i>	<i>(10.8)</i>
(C) Gross Financial Debt (A+B)	545.7	352.4	488.0	193.3	57.7
(D) Available cash	81.2	123.6	79.4	(42.4)	1.8
Net Financial Debt (C-D)	464.5	228.8	408.6	235.7	55.9
(E) Cash tied to developments	66.8	62.6	55.3	4.2	11.5
TOTAL CASH (D+E)	148.0	186.2	134.7	(38.2)	13.3

- Net financial debt comes to €465m (€56m more than at 31 December 2020), due to intense investment activity
- Despite steady growth in activity, debt linked to developer loans was reduced by €95m compared to the same period in 2020, reflecting the diversification of financing sources
- On 12 May 2021, the Company issued a High Yield Bond¹ for €325m at 5.25 years with a 4.0% annual coupon.

Financial leverage

	31 December 2021	31 March 2021	31 December 2020
LTC ¹	28.7%	16.4%	27.3%
LTV ²	23.2%	12.0%	19.4%
Net financial debt / EBITDA (LTM)	2.9x	1.7x	7.9x
Average cost of debt	3.16%	2.83%	2.71%
Interest coverage	8.4x	9.4x	4.1x

- Increase in financial leverage, in terms of NFD / EBITDA and Net LTV ratio in line with business seasonality. Expecting significant reduction in leverage in Q4 2021/22 in line with higher volume of deliveries.
- Increase in average cost of debt due to new capital structure established by the Company, with a greater use of corporate debt, a higher amount at a fixed rate and longer repayment terms.



04 Key Takeaways

Key Takeaways and Outlook

1

Outstanding evolution of operations - well on track to achieve 2021/22 delivery and results targets

2

Demonstrated capacity to replenish and increase landbank under optimal conditions

3

Extraordinary visibility over next three years points to successful execution of the Business Plan through March 2025

4

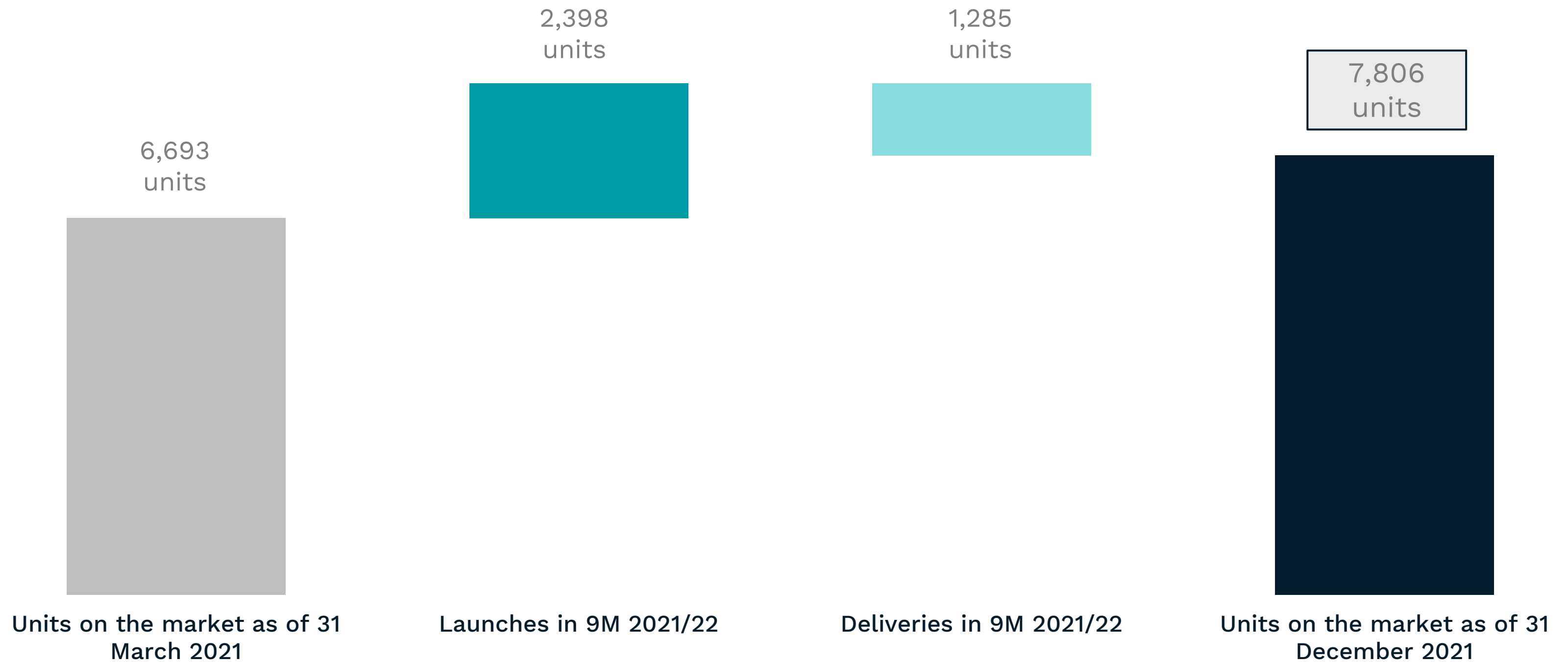
Buoyant demand helping to protect margins



05 Appendix

On the market: 7,806 units¹

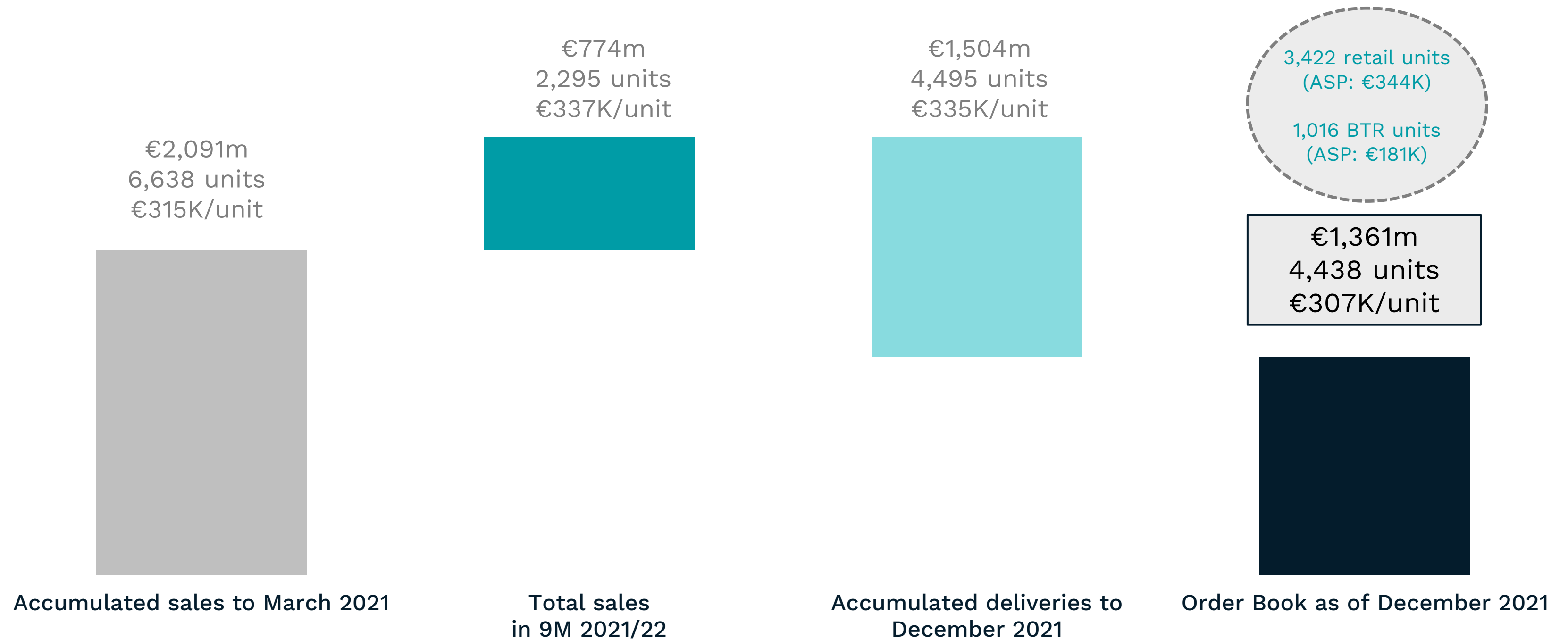
As of 31 December 2021



(1) "Units on the market" includes all units available for sale, including those that have already been sold but not yet delivered.

Order Book: 4,438 units (€1,361m)

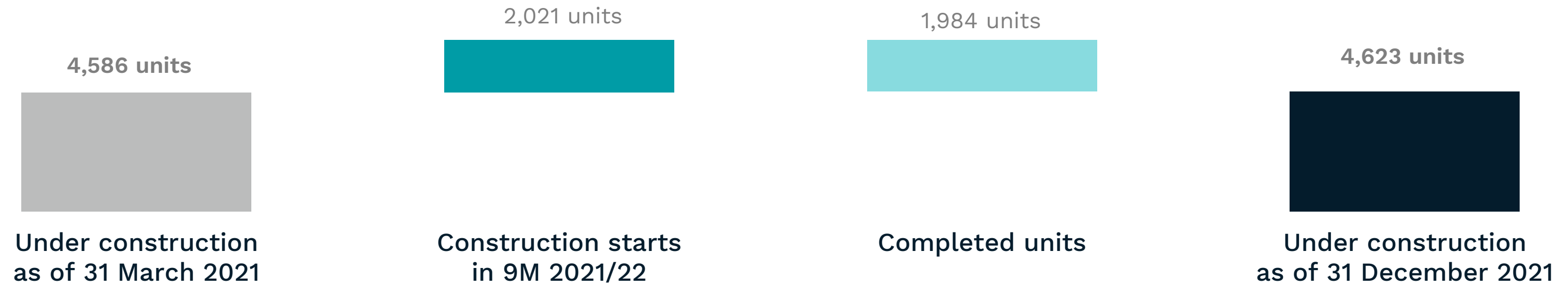
As of 31 December 2021



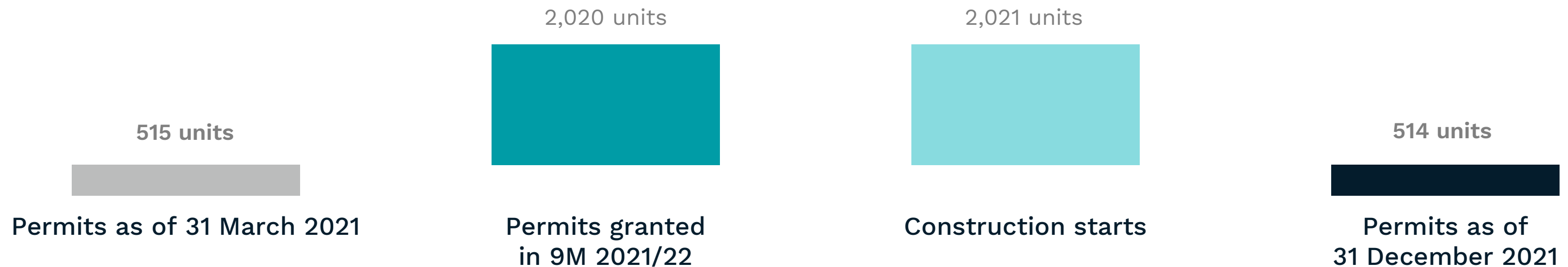
Construction Starts and Building Permits

As of 31 December 2021

Units under construction (BTR+BTS)



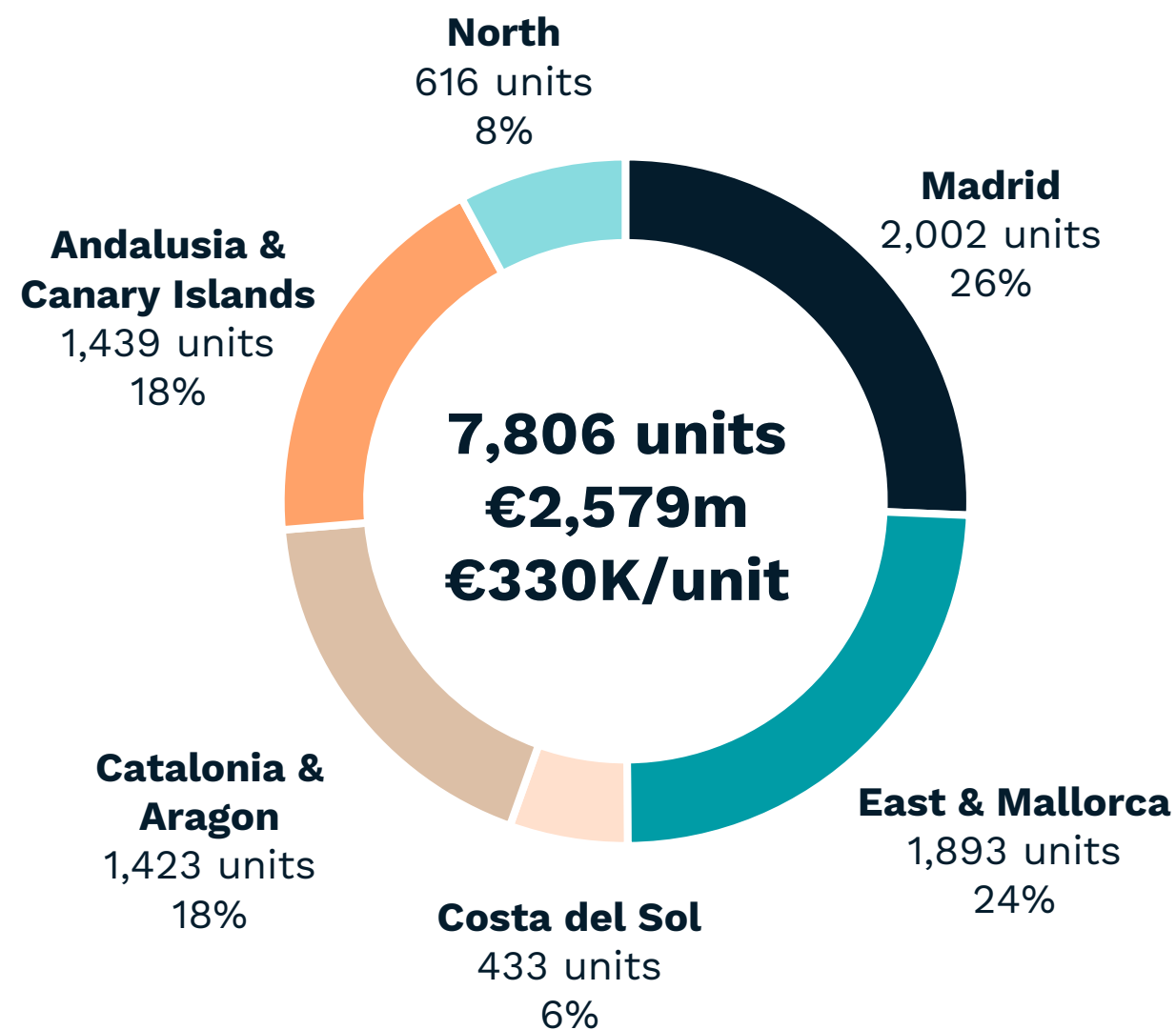
Building permits in hand, pending construction start (BTS)



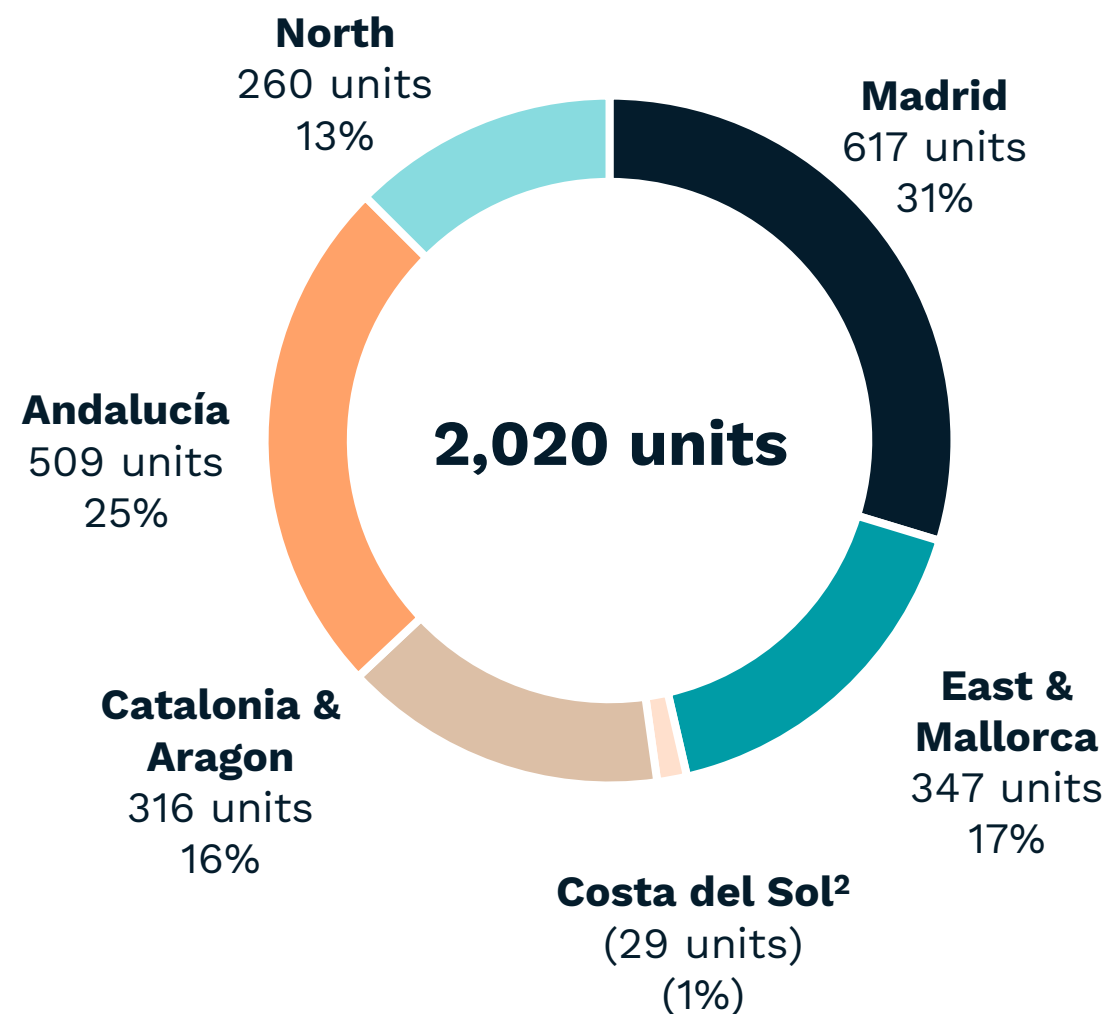
Regional Breakdown

As of 31 December 2021

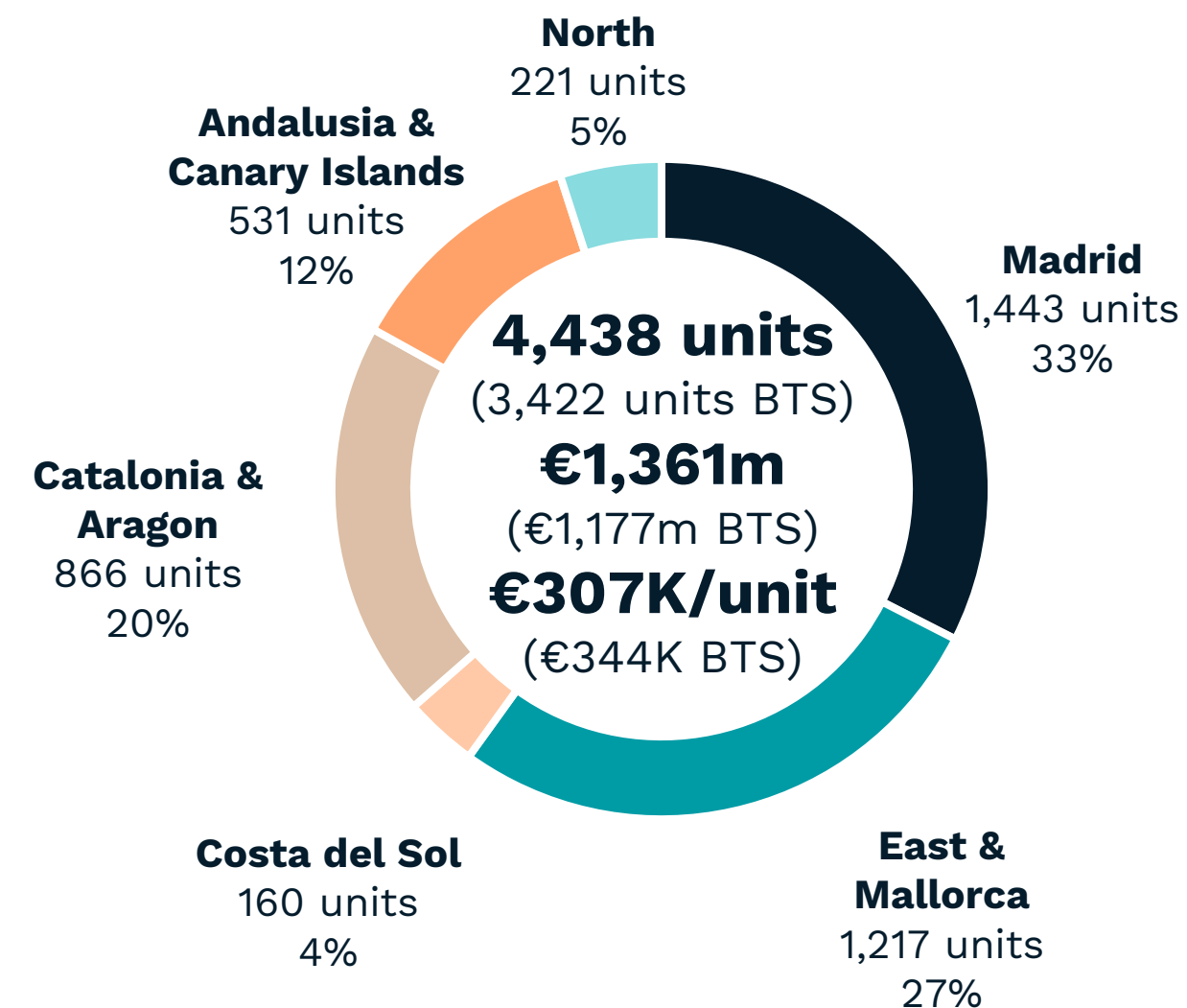
On the market¹



Permits granted in 9M 2021/22



Order Book



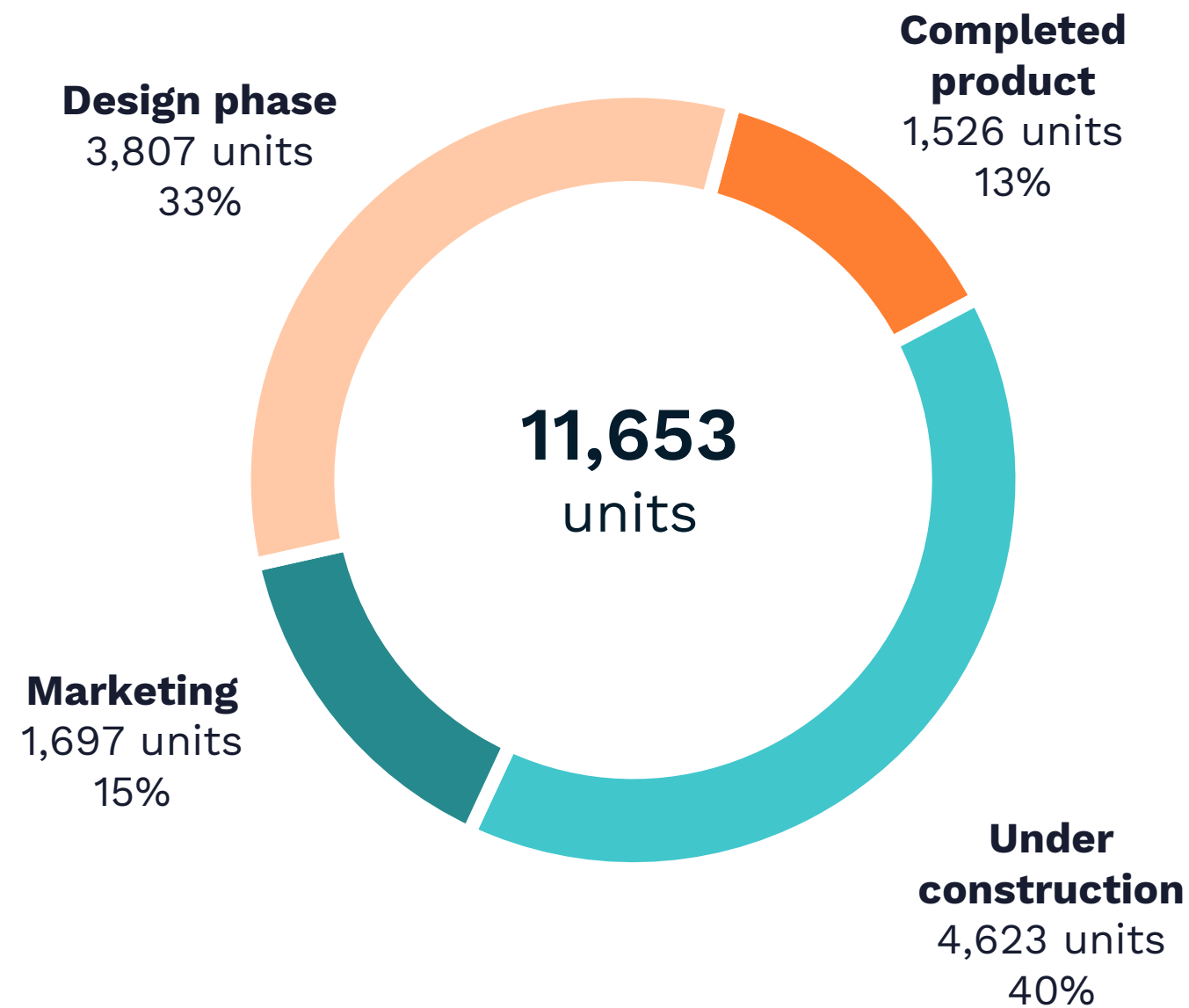
(1) "Units on the market" includes all units available for sale, including those that have already been sold but not yet delivered.

(2) Due to modifications in the initial works project.

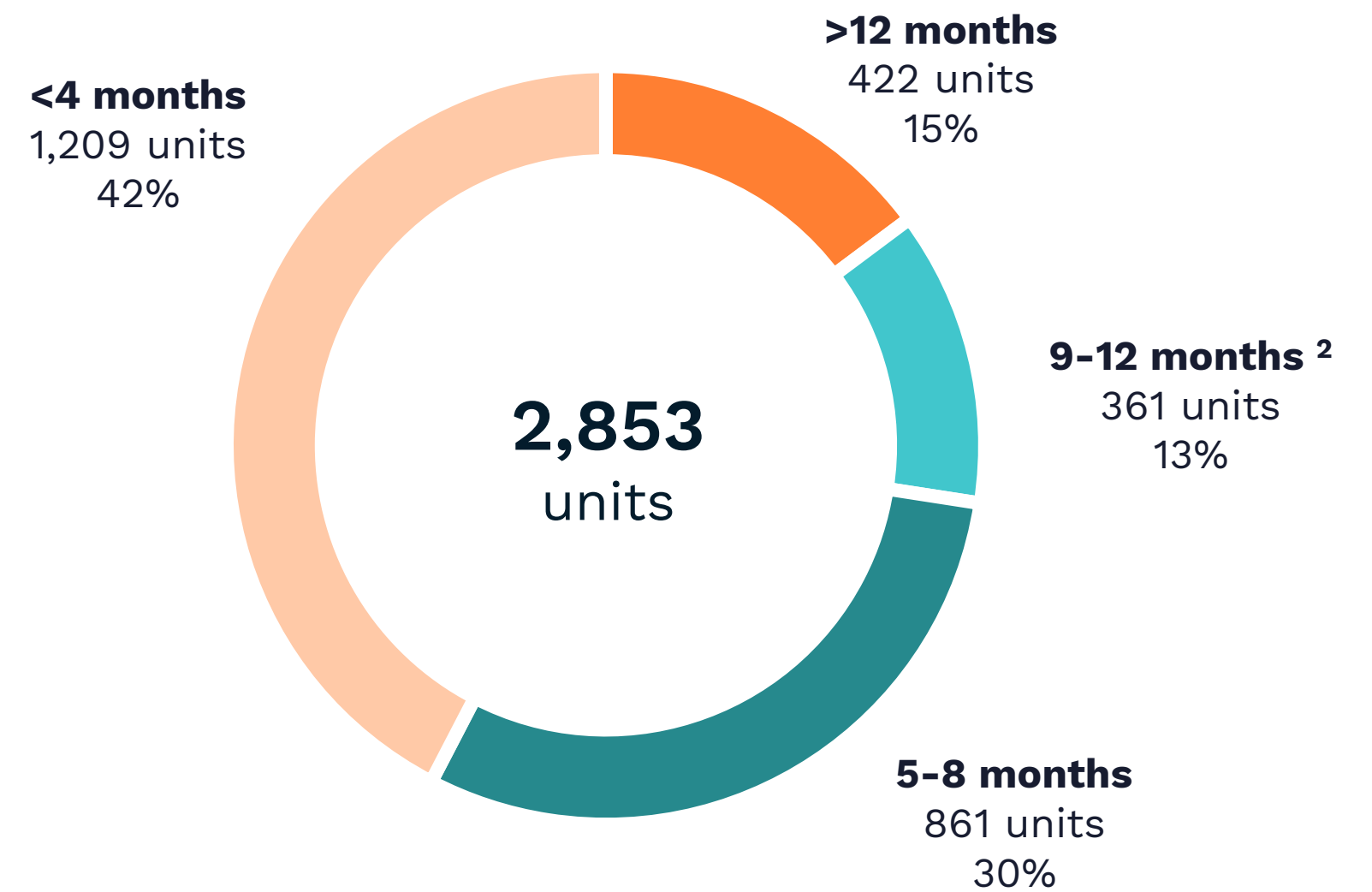
Active Units and Permit Request Status

As of 31 December 2021

Active units¹



Permit Request Status



(1) Units are considered active from the moment they enter the design phase until they are handed over to the customer.

(2) 160 units correspond to BTR.

Corporate Calendar

26 May
2022

FY 2021/22 Results

Confirmed

29 June
2022

Annual General Meeting

TBC

28 July
2022

Q1 2022/23 Results

TBC

30 November
2022

H1 2022/23 Results

TBC



AEDASHOMES

Qian
(Majadahonda, Madrid)